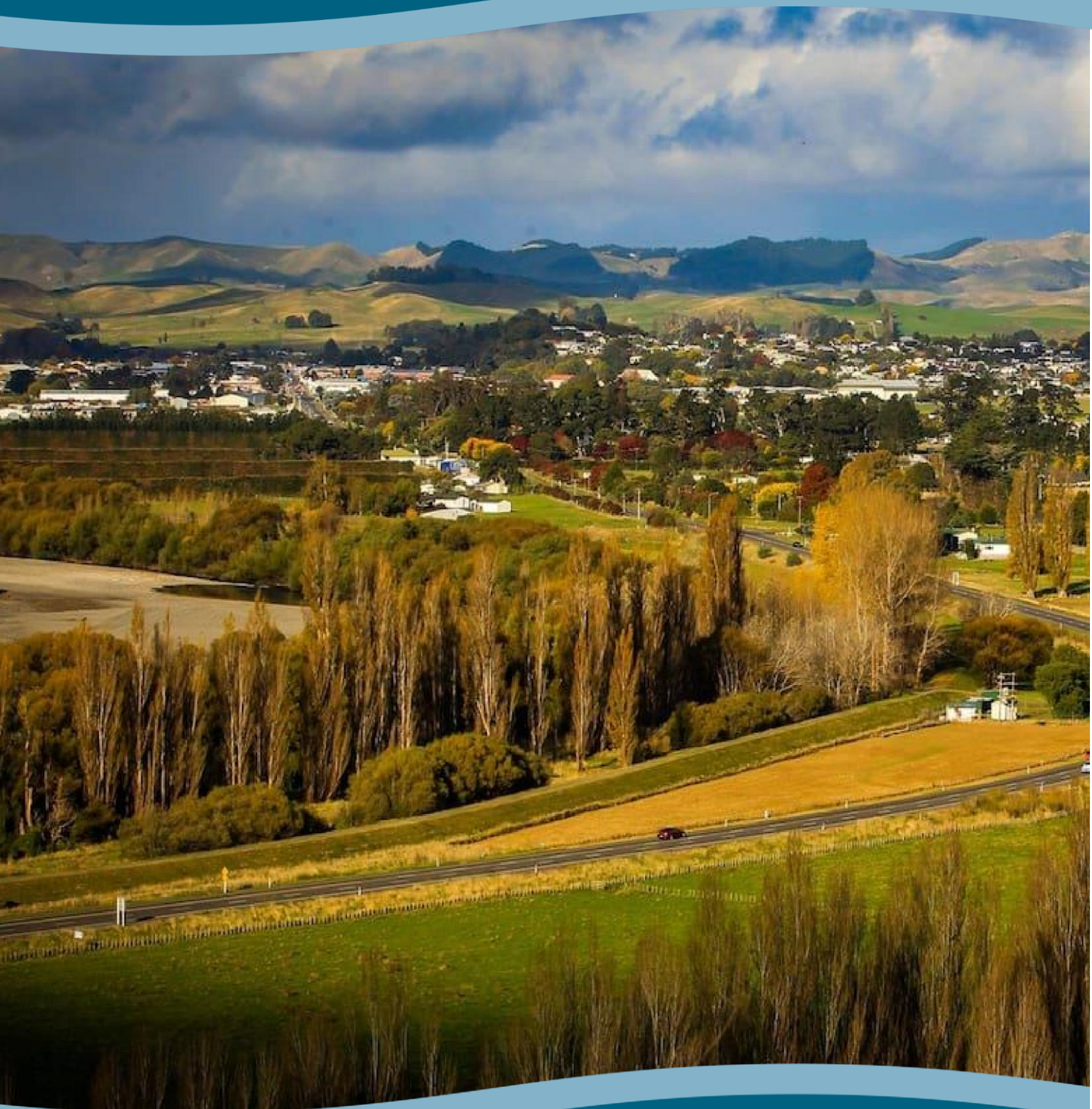
CENTRAL HAWKE'S BAY DISTRICT COUNCIL

Statement of Proposal: Pourerere Campground Drinking Water Supply

Central Hawke's Bay District Council



Central Hawke's Bay District Council
Statement of Proposal: Pourerere Campground Drinking Water Supply

Prepared under Section 83 of the Local Government Act 2002

Adopted Statement of Proposal for Consultation: 29 October 2026
Consultation period: 17 November 2026 to 12 January 2027

1. Introduction

Central Hawke's Bay District Council (Council) is the registered drinking water supplier for the small water supply that serves the Pourerere Campground. The supply does not meet current drinking water requirements, and the drinking water regulator, Taumata Arowai, has confirmed that it cannot continue to operate as it is.

Council is proposing that it **stops being the supplier of this water supply**. Council's preferred way of doing this is to **transfer responsibility for the supply to the campground operator**, Pourerere Beach Camp Limited. If a transfer cannot be agreed, Council proposes to **cease the supply**.

This Statement of Proposal explains the problem, the options Council has considered, what each option would mean for the campground and the wider Pourerere community, and how you can give feedback. It has been prepared under sections 82 and 83 of the Local Government Act 2002.

The proposal at a glance

What is proposed?	Council stops being the drinking water supplier for the Pourerere Campground supply (Option 3).
Preferred pathway (Option 3A)	Transfer responsibility for the supply to Pourerere Beach Camp Limited, if the company agrees and can operate a compliant supply.
Alternative pathway (Option 3B)	If a transfer cannot be agreed, Council ceases the supply.
Why?	The supply is not compliant with the Water Services Act 2021. Bringing it up to standard, or tankering water long term, would be costly and complex for a small, seasonal supply in a coastal location.
What happens in the meantime?	Council continues to tanker treated water to the campground and manage the stored water while a decision is made.
Has a decision been made?	No. Council will consider all feedback before making a final decision. There are also a number of other statutory steps required before a transfer, ceasing the supply or upgrading the supply can proceed.
Consultation period	17 November 2026 to 12 January 2027

What we would like your feedback on

- Whether you support Council no longer being the supplier of the Pourerere Campground water supply.

- Whether you support transferring the supply to the campground operator as the preferred pathway.
- Whether you support ceasing the supply if a transfer cannot be agreed.
- How the proposal would affect you, your whānau or your property, including whether you take water from this supply.

2. Background

2.1 The water supply

The supply draws water from a small spring on a neighbouring farm property. Water is carried to storage tanks above the campground, mostly through above-ground Alkathene pipework, and then reticulated to:

- the main camp building (the Cook House), which contains toilets, showers, a kitchen and a laundry;
- taps at individual camp sites; and
- external public taps on the building and along the beachfront.

Although the supply is registered with Taumata Arowai, it has no protozoal treatment, disinfection or telemetry (remote monitoring). The spring also dwindles over summer, when demand is highest. Before the interim arrangements described in section 4, average use was about 1.8 cubic metres (1,800 litres) per day.

Council also believes there are likely to be informal connections to the pipeline upstream of the campground tanks. The full extent of these connections, and how the water is being used, is not known.

2.2 The campground

The campground is on reserve land administered by Council and has been leased to Pourerere Beach Camp Limited since 2013. The lease currently runs on a month-to-month basis.

- The campground has 29 sites: 25 long-term sites and 4 casual sites.
- Between 50 and 75 people stay at the campground at peak times, such as public holidays.
- The campground directors estimate that 50–60% of site holders are Central Hawke's Bay residents, and some families have held sites for generations.

The campground is a well-established part of the Pourerere beach community and is valued as a social and community hub. Council recognises that any change to the water supply could affect not only the campground business but also the wider community that uses it.

Under the Camping Grounds Regulations 1985, a camping ground must have a potable (drinkable) water supply, and water reticulated to taps within 25 metres of every camp site.

2.3 Other issues at Pourerere

The water supply is one of several challenges facing the campground:

- **Coastal erosion:** investigations into a seawall found it would be costly and its consenting uncertain. Community representatives have acknowledged that they cannot self-fund

protection, and that Council and Hawke's Bay Regional Council are not in a position to fund it. Council and the campground operator have agreed that seaward sites are not occupied during swell, surge or weather warnings.

- **Wastewater:** a new wastewater discharge consent has been granted by Hawke's Bay Regional Council.
- **Lease:** if the water and wastewater issues are resolved, a new lease could be granted in line with the reserve management plan, likely for a short term of up to 10 years.

2.4 How we got here

Date	Meeting	Outcome
25 March 2026	Council workshop	Update on erosion, water, wastewater, lease and stormwater at Pourerere. Three water supply options first presented.
23 April 2026	Planning and Investment Committee workshop	Risks, costs and options for the campground and its supply considered.
7 May 2026	Delivery and Performance Committee	Options refined. Councillors advised that tankering of treated water had begun at the direction of Taumata Arowai.
4 June 2026	Council meeting	Council directed officers to progress Option 3 (cease or transfer the supply), subject to statutory process, consultation and a further Council decision.
1 October 2026	Council workshop	Update on progress, interim arrangements and next steps.
29 October 2026	Council meeting	Council adopted this Statement of Proposal for consultation.

3. Why Council Is Proposing This Change

Under the Water Services Act 2021, a drinking water supplier must supply safe drinking water. Taumata Arowai has confirmed that, as the current supplier, Council holds this duty, and that the Pourerere Campground supply is non-compliant and cannot operate under its current conditions.

The campground taps are signed as non-potable. However, it is reasonable to assume that some people may still drink the water, so Council remains responsible, and liable, as the registered supplier.

Council commissioned independent technical advice and options from Beca. That advice confirmed the supply network is complex, with issues relating to source water risk, the condition and layout of the assets, treatment, and distribution. It also confirmed that the appropriate compliance pathway would be the Drinking Water Quality Assurance Rules, rather than an 'acceptable solution', which means significant changes would be needed.

This leaves Council with a wider question: whether it is reasonable and sustainable for Council to keep providing this service in the long term, given the cost, complexity and risk involved in supplying a small, seasonal supply in a coastal location whose long-term future is uncertain.

4. Interim Arrangements

To reduce the immediate public health risk, and following advice from Taumata Arowai, Council made the following changes in May 2026:

- The campground tanks were disconnected from the spring supply, cleaned and tested.
- The tanks are now filled with treated water tankered from Council's Waipukurau supply. This is the campground's only water source.
- Tankered water is tested on arrival to confirm chlorine levels, and the stored water is monitored and managed.
- 'Do not drink' and non-potable signage remains in place at all taps, including those at the ablution block, kitchen, laundry and beachfront.

Each tanker load costs about $800. Demand is expected to rise significantly over summer, and Council estimates around 40 loads will be needed, at a forecast cost of about $30,000. This has been allowed for in the 2026/27 Annual Plan.

Tankering is a short-term measure. It does not resolve who should be responsible for the supply in the long term, it does not address the informal upstream connections, and the condition of the network means chlorine in the stored water is used up quickly. These arrangements will continue until a final decision is made and put into effect.

5. Options Considered

Council has considered three broad options. Each has a different balance of compliance, cost, operational burden and community impact, and none is without disadvantages.

Summary of options

Option	Estimated cost	Funding and approximate impact	Campground	Upstream connections
1. Upgrade the supply	$420,000 capital $25,000 per year operating	Through the lease: about $60,000 per year increase in rent, or Through the general rate: about $39 per year for a $600,000 property	Could continue operating	May not be supplied, depending on design
2. Tanker water long term	$40,000 capital $40,000 per year operating	Through the lease: about $45,000 per year increase in rent, or Through the general rate: about $6 per year for a $600,000 property	Could continue operating	Likely to be disconnected

Option	Estimated cost	Funding and approximate impact	Campground	Upstream connections
3A. Transfer the supply (preferred)	About $25,000 one-off for Council (process costs)	One-off cost to the general rate; very small impact	Could continue if the operator runs a compliant supply	Likely to be disconnected
3B. Cease the supply	About $25,000 one-off for Council (process costs)	One-off cost to the general rate; very small impact	Could not operate in its current form without another compliant water source	Would lose access to water

Note: Rates and lease figures are approximate. They assume capital costs are loan-funded over 10 years, a shorter term than usual because of the coastal erosion risk. The cost estimates for Options 1 and 2 are preliminary and could increase (or decrease) once design and site investigations are completed.

5.1 Option 1 – Upgrade the supply

Council would build and operate a treatment system able to meet drinking water standards. Based on the technical advice, this would likely include water softening, cartridge filtration and validated ultraviolet (UV) treatment, together with power and communications upgrades, monitoring equipment and land access for the works.

An upgrade would not be a one-off construction project. It would also bring an ongoing compliance obligation, including source and treated water monitoring, backflow prevention, emergency planning, trained operators, record keeping and a drinking water safety plan.

Advantages

- Provides a compliant supply that would allow the campground to continue operating in its current form.
- Gives Council the greatest control over the quality and operation of the supply.

Disadvantages

- Has the highest cost, at an estimated $420,000 to build and $25,000 a year to operate.
- Leaves Council responsible for a small, complex, seasonal supply whose long-term viability is uncertain.
- Treatment would likely be installed at the campground tanks, so any informal connections upstream would remain untreated and a continuing risk, or would need to be disconnected.
- There is no clear acceptable way to fund it. Funding through the lease would add about $60,000 a year to the campground's rent, and the campground directors have advised this is unaffordable. Funding through the general rate would mean district ratepayers subsidising a supply that serves a single leased site.

5.2 Option 2 – Tanker water long term

Council would continue the current interim arrangement on a permanent basis, tankering treated water from Waipukurau or another compliant supply. To make this workable, Council would need to

invest in extra storage, telemetry, alarms and stored-water monitoring, and would likely need to add chlorine on site.

Advantages

- Protects public health and can meet drinking water requirements.
- Avoids the large upfront cost of building a treatment plant.

Disadvantages

- Has a high ongoing cost, estimated at $40,000 a year, plus about $40,000 for supporting infrastructure.
- Is difficult to manage and forecast, because demand is very high in summer and very low in winter.
- Still requires a full compliance framework, including monitoring, operator capability, record keeping and a drinking water safety plan.
- Does not address the informal upstream connections, which would likely be disconnected.
- There is no clear acceptable way to fund it. Funding through the lease would add about $45,000 a year to the campground's rent.

5.3 Option 3 – Council stops supplying the water (Preferred Option)

Under Option 3, Council would no longer be the drinking water supplier for the Pourerere Campground supply. This could happen in one of two ways. Which pathway applies depends on discussions with the campground operator.

Option 3A – Transfer the supply to the campground operator (preferred pathway)

Responsibility for the supply would be transferred to Pourerere Beach Camp Limited. The company would become responsible for providing safe drinking water to the campground, including meeting all compliance requirements and covering the associated costs and risks.

Council has shared information on the supply and the options with the campground directors, and discussions about a transfer are continuing. Council has also commissioned advice on how the supply could operate if responsibility were transferred, including whether it could operate as a 'downstream supply'. That advice will be provided to the directors to help them decide.

A number of matters would need to be worked through as part of a transfer, including:

- ownership of, and responsibility for, the existing assets (such as pipework and tanks);
- ongoing access to the spring on the neighbouring farm property;
- what happens to any informal connections upstream of the campground tanks; and
- any changes needed to the campground lease.

Transferring responsibility for the supply is a staged statutory process under the Local Government (Water Services) Act 2025.

First, Council must confirm, with legal advice, that the supply is a small water service (200 or fewer people) and that the company is an entity representing the community the service is operated for.

Council must also prepare a draft management plan and assess the company's likely future capital and operating costs and its ability to run the service. It must also consult Taumata Arowai or the Medical Officer of Health and publish the assessments and the regulator's views.

Officers will report consultation feedback to Council and seek approval to hold a binding referendum under the Local Electoral Act 2001. More than 50% of votes cast must support the transfer in order for it to proceed. If the referendum succeeds and all other statutory tests are met, Council would formally agree to the transfer and negotiate a transfer agreement.

Council will continue tankering water in the meantime. If the transfer can't lawfully or practically go ahead, or the referendum fails, ceasing the supply is the alternative for Council to consider.

Option 3B – Cease the supply

If a transfer cannot be agreed, Council would seek to cease the supply. Ceasing a water supply also requires a formal statutory process, which is summarised in section 8. It would include at least 30 days' notice under Taumata Arowai requirements.

Because camping grounds must have a potable water supply, the campground would not be able to continue operating in its current form unless the operator put an alternative compliant water source in place. Any informal connections to the pipeline would also lose access to water.

How Council will decide between Option 3A and Option 3B

Transfer is Council's preferred pathway, because it gives the campground the opportunity to continue operating. Option 3A will be pursued if the campground operator agrees to take on responsibility for the supply, can operate it in a way that meets the requirements of the Water Services Act, and a referendum on the option passes with greater than 50% of the votes in support.

If the operator does not wish to take on the supply, or a compliant arrangement cannot be reached, Council proposes Option 3B. Both pathways follow a similar statutory process, so this consultation covers both.

Advantages of Option 3

- Has the lowest whole-of-life cost for Council, at about $25,000 one-off to cover technical assessment, legal process and consultation.
- Most clearly reduces Council's ongoing regulatory and liability exposure.
- Provides a clear long-term position.
- Fully removes the public health risk associated with the informal upstream connections.
- Is the only option likely to be manageable within Council's current planning assumptions

Disadvantages of Option 3

- Under Option 3B, the campground could not continue operating in its current form unless the operator found an alternative compliant water source.
- Under Option 3A, the campground operator would take on the cost of compliance, which may affect site fees and the campground's viability.
- Properties with informal connections would lose access to water, which may not meet community expectations.
- May cause concern in the community, given the campground's social value to Pourerere.
- Requires a statutory process, consultation and further Council decisions before it can be put into effect.

6. Council's Preferred Option

Council's preferred option is **Option 3: that Council stops being the supplier of the Pourerere Campground water supply**, with transfer to the campground operator (Option 3A) as the preferred pathway and ceasing the supply (Option 3B) as the alternative if a transfer cannot be agreed.

Council considers this option the strongest on balance because it:

- most effectively reduces Council's regulatory and financial exposure;
- provides the clearest long-term position; and
- recognises that continued Council provision of this supply is difficult to justify given its cost, complexity and risk.

Council has not ruled out the other options and has not yet made a final decision. Council recognises the importance of the campground to the Pourerere community and wants to hear from the campground operator, site holders, mana whenua and the wider community before deciding.

7. Who Could Be Affected

- **Pourerere Beach Camp Limited,** as the campground operator and leaseholder.
- **Campground site holders and visitors,** including long-term site holders, many of whom are Central Hawke's Bay residents.
- **Properties with informal connections** to the pipeline upstream of the campground tanks.
- **The owner of the neighbouring farm property** where the spring is located.
- **Mana whenua.**
- **The wider Pourerere and Central Hawke's Bay community,** including people who use and value the campground.
- **District ratepayers,** who would fund some of the costs under Options 1 and 2 if those costs were met through the general rate.

8. Legal and Statutory Context

- **Water Services Act 2021:** while Council remains the supplier, it must continue to meet its duty to supply safe drinking water. Taumata Arowai requires a supplier that intends to cease a supply to give at least 30 days' notice.
- **Local Government Act 2002:** this proposal is being consulted on using the special consultative procedure (sections 82 and 83). The Act also sets out specific requirements before a local authority can close down, or transfer, a small water service. These are expected to include an assessment of the effects of the proposal and a referendum of the people who use the supply.
- **Significance and Engagement Policy:** under Council's Significance and Engagement Policy, this matter has been assessed as being of medium to high significance, because of the potential loss or reduction of an established community facility and the financial implications for ratepayers or campground users.
- **Camping Grounds Regulations 1985:** a camping ground must have a potable water supply reticulated to within 25 metres of every camp site.
- **Reserves Act 1977 and the campground lease:** if the campground were no longer viable as a result of a decision on the water supply, Council may need to consider separate processes relating to the reserve and the lease. These would be subject to their own decisions and engagement, and are not part of this proposal.

9. Engagement with Mana Whenua

Council recognises that mana whenua has an interest in decisions affecting Pourerere and the reserve. Engagement with mana whenua will form part of the decision-making process.

10. How You Can Have Your Say

Council is using the special consultative procedure under section 83 of the Local Government Act 2002. Submissions open on 17 November 2026 and close at 11:59pm on 12 January 2027

You can make a submission:

You can:

- Make a written submission; and/or
- Request to speak to your submission to council.

Details on how to submit will be available on Council's website and through public notices.

Questions to consider in your submission

- Do you support Council no longer being the supplier of the Pourerere Campground water supply? Why or why not?
- Do you support Council's preferred pathway of transferring the supply to the campground operator?
- If a transfer cannot be agreed, do you support Council ceasing the supply?

- Does your property take water from this supply? If so, how do you use it?
- Is there anything else you would like Council to consider?

Speaking to your submission

If you would like to speak to Council about your submission, please say so when you submit. Hearings are expected to be held on 11 February 2027 at CHBDC Council Chambers.

Privacy

All submissions, including the submitter's name, will be made available to Council and may be published as part of the public record. Contact details and other personal information will be kept confidential. Please tell us in your submission if you have a particular reason for wanting your name withheld.

11. What Happens Next

After consultation closes, Council will consider all submissions before making a decision. The indicative timeline is:

Step	Indicative timing
Consultation opens	17 November 2026
Consultation closes	12 January 2027
Hearings	11 February 2027
Council considers submissions and makes a decision	18 February 2027

Council could decide to adopt the proposal, adopt it with changes, or decide on a different option. Tankering of treated water to the campground will continue, and the 'do not drink' signage will stay in place, until a final decision has been made and put into effect.